

REVISED

STATEMENT OF PURPOSE

RS28795C1 / H0314

This legislation amends the Transportation Expansion and Congestion Mitigation (TECM) program found in Idaho Code Section 40-720 to provide for additional funds for Idaho's roads and bridges. It increases the sales tax used already to bond for the TECM program from 1% to 4.5%, but not less than \$67 million dollars. It also allows for local governments to participate in bonding.

FISCAL NOTE

The change in the sales tax distribution formula would generate an additional \$68.36 million to TECM in FY 2022 bringing the total projected amount for TECM in FY 2022 to \$87.89 million. It reduces the amount of sales tax distributed to the General Fund by \$68.36 million in FY 2022. The legislation provides that not less than \$67 million dollars of the 4.5% received from sales tax be distributed to the TECM fund. With these funds, ITD has the ability to bond a minimum of approximately \$670 million to \$1.34 billion depending on the duration of bonding and the unencumbered amount in the TECM fund. The bonding mechanism does not require a tax increase.

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DISCLAIMER: This statement of purpose and fiscal note are a mere attachment to this bill and prepared by a proponent of the bill. It is neither intended as an expression of legislative intent nor intended for any use outside of the legislative process, including judicial review (Joint Rule 18).